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THE BERLIN ECONOMIC PLAN FOR 1951
IN THE LIGHT OF 1950 PLAN FULFILLMENT

[Numbers in parentheses refer to appended sources 7]

On 22 March 1951, at a public session of the Berlin Municipal Council Stadtrat Bruno Braun outlined the 1951 Economic Plan for Berlin and reported on the fulfillment of the 1950 plan. He stated that Berlin's industrial plan was fulfilled 107 percent, which represents a 24-percent increase in total production compared with 1949, and a 29-percent rise in the output of the people-owned industries.

The following percentages were reached for strategic quotas of the 1950 Berlin Plan:

Electric power, 110; metallurgy, 158, machine construction, 102; electrical goods, 108; and precision and optical instruments, 82 percent.

Significant production increases were achieved specifically for ball bearings (778 percent), turret lathes (413 percent), welding electrodes (313 percent), transformers (193 percent), and microscopes (251 percent). The increased output of these products made it possible to expand East German exports.

Notable production increases, compared with 1949, were attained by the Bergmann-Borsig Works (237 percent), the Niles Works (105 percent), the people-owned VEB Shaft-Packing Works (84 percent), and the Johannisthal Engine Works (55 percent). As demonstrated at the Leipzig Fair, Berlin's industrial output also compared favorably with quality standards attained elsewhere in the German Democratic Republic.

Investment funds made available for the reconstruction of Berlin were 73 percent higher than in 1949.

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Industrial investments showed the following percentage increases compared with 1949: machine construction, 320; electrotechnics, 590; housing, 94; and public education, 40 percent. During 1950, 3,125 new housing units were built, 24,000 repaired, and 36,100 improved. The number of workers employed was raised by 38,000, or 8 percent, while, at the same time, labor productivity was upped 29 percent. Retail sales rose to 115.5 percent of 1949 figures and the turnover of HO (State-Owned Trade Organization) stores rose from 464 Deutsche marks per capita in 1949 to 623 in 1950. The number of teachers engaged was increased 27 percent. Seven hundred additional hospital beds were made available.

Braun stated that the success of the Five-Year Plan depends on the realization of the 1951 Economic Plan, which is based on the 1950 level of fulfillment. Under the 1951 Economic Plan, 675 million Deutsche marks, i.e., 41 percent more than in 1950, are to be used in building up Berlin; the total gross industrial output is to be increased 30 percent (that of the people-owned industries 48 percent) over 1950 while labor productivity is to increase 20 percent, and sales turnover, 18.5 percent; a 5-percent reduction of production costs has been scheduled; 65 percent of the industrial workers employed in people-owned enterprises are to receive piece-work wages by the end of 1951; 31,000 new job openings and 6,000 apprenticeships are to be created.(1)

The following percentage increases are to be achieved in 1951 by the various branches of industry:

<u>Industry</u>	<u>Production</u> (% of 1950)
Electric power	112
Metallurgy	157
Machine building	149
Electrical goods	126
Precision and optical instruments	166
Chemical	124
Building materials	112
Wood processing	95
Textile	85
Leather, shoe, hide, and garment	110
Paper and pulp	115
Printing	102
Food	148

The quantitative increase is to go hand in hand with quality improvements and raising of the labor productivity, the reduction of production costs, and the strengthening of cooperation between people-owned and private enterprises, as well as strict adherence to the investment plan, etc.

Investment funds are to be upped to 211 percent for industry, 217 percent for cultural affairs and public health, 200 percent for housing, and 171 percent for BVG (possibly Berliner Verkehrsgesellschaft, Berlin Transportation System). Fifty million Deutsche marks are provided for the removal of rubble, 11 million for city parks and landscaping, and approximately 500 million for building projects covering all branches of the economy. In addition to the people-owned Bergmann-Borsig, Niles, TRO (Oberschoeneweide Transformer Plant), and Antifriction Bearings plants, and the University of Berlin, projects of major importance, according to the 1951 plan, the following have been designated key projects: Klingenberg Power Plant, Lichtenberg Gasworks, Johannisthal (KMB) Engine Works, people-owned Refrigeration Equipment Plant, VEB Phonetika, BEW (Berlin Electric Motor Works), Rummelsburg Cement Works, Stalinallee Housing Project, Innenstadt (city) and Lustgarten (park) reconstruction project, and Friedrichshain polyclinic.

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In the field of agriculture, per-hectare yields are to be increased, a livestock census taken, and people-owned farms to be developed into model agricultural enterprises.

Metropolitan transportation facilities are to be expanded, and it is planned to introduce new types of vehicles such as buses and large-size streetcars. Forty-four kilometers of streets are to be resurfaced, numerous bridges repaired, and the Alexanderplatz station of the S-Bahn (interurban railroad) renovated.

Expenditures for the postal and telecommunications system are to be increased 6 million Deutsche marks, compared with 1950.

The number of workers employed in the entire economy is to be upped by 31,000 including 10,000 women. Thirteen thousand youths will be placed as apprentices.

A 5-percent reduction of production costs is another stressed feature of the plan, and to attain this goal, activist and competitive movements are to be introduced, work norms established, and piece-work wages put into effect on a large scale.

The output of all hand-trade enterprises is to be increased substantially and the supply of material to such shops standardized.

Investment funds of 30,120,000 Deutsche marks are to be made available to the communal (cooperative) economy.

Funds provided for the improvement of the public health system will make it possible to add 1,309 hospital beds and to increase the number of available places in children's homes.

Young persons are to have the benefit of 6,000 new apprenticeships and of increased opportunities for specialized study and training.

Fifty-five million marks are to be provided for cultural purposes, and scholarship funds will be raised from 2.5 to 3.1 million Deutsche marks. The plan calls for 96 new classrooms and the addition of 200 teachers.(2)

SOURCES

1. Berlin, Taegliche Rundschau, 23 Mar 51
2. Berlin, Tribuene, 30 Mar - 2 Apr 51

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